

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT NO. : 500-11-041238-110
ESTATE NO.: 0000074-2011-QC

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
R.S.C. 1985, c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE AND
ARRANGEMENT OF:

HART STORES INC. / MAGASINS HART INC.

Petitioner

- and -

RSM RICHTER INC.

Monitor

TAKE NOTICE THAT, during the Meeting of the Creditors held on February 15, 2012, the Plan of Arrangement and Compromise (the "Plan") filed by Hart Stores Inc./ Magasins Hart Inc. was accepted by the statutory majority of Creditors. In addition, on February 27, 2012, the Plan was ratified by the Superior Court of Quebec.

A copy of the Plan is available on the Monitor's website at <http://www.rsmrichter.com/Restructuring/Hart.aspx>

As stated in the Plan, the Affected Creditors have the following dividend distribution option:

Option A

- Any Affected Creditor may elect to receive in September 2012 a one-time dividend payment corresponding to the lesser of \$1,000 or the amount of its Affected Claim. Any creditor may elect to irrevocably and unconditionally reduce its claim to \$1,000. The Creditors exercising this choice are designated as "Electing Creditors" in the Plan.

Option B

- Any Affected Creditor may choose to have its dividends paid over time. These creditors will share, on a pro rata basis, six dividend payments (September 2012, February 2013, September 2013, February 2014, September 2014 and February 2015) totaling \$6 million.

In order to make this choice, a creditor must notify the Monitor in writing, by submitting the "***Selection of the type of Dividend Participation***" form prior to **August 14, 2012**. The creditors who do not file the "***Selection of the type of Dividend Participation***" form will be deemed to have selected Option B.

Dated at Montreal, province of Quebec, this 26th day of June 2012

RSM Richter Inc.

Court-appointed Monitor
2 Place Alexis Nihon, Suite 1820
Montreal, Quebec H3Z 3C2

HART STORES INC. / MAGASINS HART INC. SELECTION OF THE TYPE OF DIVIDEND PARTICIPATION

I, _____
(name of creditor)
of _____
(address, city, province)
(or, _____ of _____
(name of the creditor's representative) (name of the city)

(title and function) (signature of the creditor)

a creditor in the above matter for the sum of \$ _____ (hereinafter the "Affected Claim")

choose option: **A** One-time payment corresponding to the lesser of one thousand dollars (\$1,000) or the amount of the Affected Claim.
In the case where the amount of the Affected Claim is greater than \$1,000, I understand that the amount of the Affected Claim shall be deemed to have been irrevocably and unconditionally reduced to \$1,000 and that I, or the creditor I represent, will be deemed to have irrevocably and unconditionally waived and renounced to any rights to file any other proof of claim or to participate in any further dividends in connection with the Affected Claim.

- or -

B Pro rata share of dividends in accordance with the Plan.

Dated at _____ this ____ day of _____ 2012.

Witness

Signature of individual creditor

- OR -

Name of corporate creditor

Witness

Signature of signing officer

Name and title of signing officer

**ANY CREDITOR WHO FAILS TO RETURN THIS FORM TO THE MONITOR ON
OR PRIOR TO AUGUST 14, 2012 WILL BE DEEMED TO HAVE SELECTED OPTION B**